

# Idaho Grain Market Report, December 5, 2019—NEW CROP PRICES

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lwilder@barley.idaho.gov 208-334-2090 www.barley.idaho.gov



Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday December 4, 2019. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>Barley (Cwt.) FEED  48 lbs or better</b>	<b>MALTING  Open Market Malting</b>	<b>Wheat (bu.) Milling  #1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Rexburg / Ririe	6.50-7.00		4.91-5.02	4.90-5.09	5.30-5.37	5.09-5.10
Idaho Falls		8.30-8.33	4.80	5.00	5.50	5.00
Blackfoot / Pocatello		7.06	4.80	5.00	5.50	5.00
Grace / Soda Springs	7.00			4.80	5.06	4.80
Burley / Rupert	6.50		4.91	4.90	5.30	5.10
Twin Falls / Buhl Jerome / Wendell	6.00		4.90			
Nampa / Weiser			NA			
Nezperce / Craigmont	5.21		5.02	5.10	5.96	
Lewiston	5.73		5.28	5.36	6.22	
Moscow / Genesee	5.24-5.43		5.05-5.15	5.13-5.24	5.99-6.11	

## Prices at Selected Terminal Markets, cash FOB

Wednesday December 4, 2019. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	<b>#2 Feed Barley 46 lbs. --</b>	<b>Malting Barley</b>	<b>#1 SWW</b>	<b>#1 HRW 11.5% Protein</b>	<b>#1 DNS 14% Protein</b>	<b>#1 HWW</b>
Portland			5.90-5.95	5.70-6.00	6.27-6.82	
Ogden	7.80		5.21	5.10	5.36	5.10
Great Falls	4.50-6.50	8.20-8.60		4.71-4.84	5.26-5.55	
Minneapolis						

## Market News and Trends This Week

**BARLEY**—Idaho cash feed barley prices were unchanged to up \$0.25 for the week ending December 4. Idaho cash malt barley prices were unchanged for the week. For the period November 22-28, USDA FAS reported no net barley sales for 2019/2020. Barley exports of 1,000 MT to Japan, up 95 percent from the previous week but down 14 percent from the prior 4 week average.

**Barley News**— On December 4, 2019, Japan's Upper House approved a trade deal with the United States. The agreement opens markets and will support expansion of U.S. food and agricultural exports, increase farm income, generate more rural economic activity, and promote job growth. The agreement goes into effect January 1, 2020. The deal, previously announced in September, includes Japan eliminating or reducing tariffs on U.S. food and agricultural products. According to the Office of the U.S. Trade Representative (U.S.T.R.), Japan is the United States' fourth largest agricultural export market. According to the U.S. Department of Agriculture, out of the \$14.1 billion in U.S. food and agricultural products imported by Japan in 2018, \$5.2 billion were already duty free. Under this first-stage initial tariff agreement, Japan will eliminate or reduce tariffs on an additional \$7.2 billion of U.S. food and agricultural products. The agreement immediately reduces U.S. corn and sorghum imports for all purposes to a zero-tariff level, reduces the U.S. barley mark-up and includes a staged tariff reduction for U.S. ethanol and U.S. corn, barley and sorghum flour. In November, more than 30 U.S. food and agriculture groups submitted a letter to the U.S. House of Representatives Ways and Means Committee urging support for the swift implementation of a Phase One U.S.-Japan Trade Agreement that was negotiated earlier this year.

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## Market News and Trends This Week—continued

**WHEAT**—Idaho cash wheat prices were mostly up for the week ending December 4. SWW prices ranged from down \$0.05 to up \$0.20 from the previous week; HRW prices were up \$0.04 to up \$0.20; DNS prices were up \$0.09 to up \$0.50; and HWW prices were up \$0.14 to up \$0.20. USDA FAS reported net sales for 2019/2020 for the period November 22-28 at 228,100 MT, down 63 percent from the prior week and 45 percent from the previous 4 week average. Increases were primarily to unknown destinations (102,000 MT), Mexico (45,100 MT), the Philippines (27,000 MT), Italy (19,800 MT), and Jamaica (17,100 MT). Exports of 231,700 MT were down 48 percent from the previous week and from the prior 4-week average.

**Wheat News**— A national U.S. Department of Agriculture (USDA) survey, published recently in *Plant Disease*, provides the first large-scale, systematic insight into how wheat and barley growers manage Fusarium head blight (FHB), also known as scab, and where they get information on how to control this destructive disease. FHB can reduce a farmer's yield and affect quality, lowering the price of the grain. Also, the *Fusarium* fungus produces a mycotoxin called deoxynivalenol or DON. Wheat with DON levels above 2 parts per million is unacceptable for human consumption. FHB can also wreak havoc with barley crops, as maltsters have a near-zero tolerance for *Fusarium*. The survey details how grain producers perceive FHB, where they get their information, which management tools they use and problems managing the disease. Weather is the main variable in determining an FHB epidemic. Once a crop is harvested, *Fusarium* rests in the field's debris. When a new small-grain crop is planted, and if rain occurs two weeks before plants flower, the fungus releases its spores, which land on the new crop's flowering heads and cause infection.

**CORN**— USDA FAS reported net export sales for 2019/2020 for period November 22-28 of 546,100 MT, increases were primarily to Japan (236,700 MT), unknown destinations (130,900 MT), Colombia (70,500 MT), Mexico (44,200 MT), and Canada (19,300 MT). Exports of 949,800 MT were to Mexico (288,100 MT), Japan (61,400 MT), Honduras (44,600 MT), El Salvador (27,600 MT), and Colombia (25,600 MT).

**Ethanol corn usage**—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending November 29 averaged 1.06 million bbls/day – up 0.09 percent from the previous week but down 0.84 percent from last year. Total ethanol production for the week came in at 7.42 million barrels. Ethanol stocks were 20.639 million bbls on November 29, up 1.79 percent from last week and down 10.38 percent from last year. An estimated 106.31 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 1.29 billion bu. Corn used needs to average 103.899 million bu per week to meet USDA estimate of 5.375 billions bu for the crop year.

## Futures Market News and Trends—Week Ending December 5, 2019

### FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, December 5:

Commodity	Dec 2019	Week Change	Mar 2020	Week Change	May 2020	Week Change	July 2020	Week Change
CHI SRW	\$5.32	-\$0.15½	\$5.23¾	-\$0.18	\$5.28	-\$0.16¾	\$5.30	-\$0.12¾
KC HRW	\$4.20¼	-\$0.18½	\$4.35½	-\$0.11½	\$4.43	-\$0.12	\$4.49¾	-\$0.05
MGE DNS	\$4.98	\$0.02½	\$5.13¾	-\$0.00¾	\$5.22¾	-\$0.00¼	\$5.32¼	-\$0.00½
CORN	\$3.65½	-\$0.05¾	\$3.76¾	-\$0.04½	\$3.82½	-\$0.03¼	\$3.87	-\$0.03½

**WHEAT FUTURES**—Wheat futures prices were mostly down for the market week ending December 5. **Wheat futures prices were down \$0.18½ to up \$0.02½ (per bu) compared to the previous week.**

**CORN FUTURES**—Corn futures prices were down with lower export sales according to the export data from USDA to end the market week December 5 **Corn futures prices ranged from down \$0.05¾ to down \$0.03¼ (per bu) over the previous week.**

**CRUDE OIL FUTURES**—After a marathon session Thursday, OPEC and non-member partners like Russia agreed Friday lower their collective oil production quota by an additional 500,000 barrels per day. The so-called OPEC+ group had agreed earlier this year to remove 1.2 million barrels per day from world markets.

EIA reported U.S. crude oil refinery inputs averaged 16.8 million bbls/day during the week ending November 29, 2019 was 464,000 bbls/day more than last week's average. Refineries operated at 91.9% of capacity last week. As of November 29, there was a decrease in Crude Oil stocks of 4.656 million bbls from last week to 447.096 million bbls, over the 5-year average of 435.777 million bbls. Distillate stocks increased by 3.863 million bbls to a total of 119.469 million bbls, under the 5-year average of 136.584 million bbls; while gasoline stocks increased by 3.335 million bbls to 229.363 million bbls, over the 222.219 million bbl 5-year average. The national average retail regular gasoline price was \$2.575 per gallon on December 2, \$0.004 lower than last week's price but \$0.124 over a year ago. The national average retail diesel fuel price was \$3.070 per gallon, up \$0.004 per gallon from last week's level but down \$0.137 from a year ago.

**NYMEX Crude Oil Futures finished the week ending Thursday, December 5, 2019 to close at \$58.43/bbl (December contract), up \$3.26 for the week.**

## USDA Crop Progress / Condition Report—December 2, 2019

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Planted							
<b>ID Winter Wheat Planted</b>							
US Winter Wheat Emerged							
<b>ID Winter Wheat Emerged</b>							
US Spring Wheat Harvested							
<b>ID Spring Wheat Harvested</b>							
Corn Harvested	89%	84%	97%	98%			

## USDA U.S. Crop Weather Highlights—December 5, 2019

**West**—Dry conditions across California. Rain and snow showers eastward to the Intermountain West. Mild, dry conditions in the Northwest.

**Plains**—Dry conditions favor late season fieldwork except in the northern areas where there is still snow on the ground. Chilly weather across the northern Plains, warmer weather farther south. Highs could reach 80 degrees in Texas.

**Corn Belt**— Snow remains from the Dakotas to Michigan, effecting late season corn and soybeans harvest efforts. As of December 1, more than one tenth of the soybean acreage had not been harvested in Michigan (85% harvested) and Wisconsin (86% harvested). Mild conditions across the middle Mississippi Valley, in parts of Missouri. The highs could exceed 60 degrees.

**South**—Cool weather across Florida's peninsula. On December 1, Florida's topsoil moisture was rated 35% very short to short. Mild, dry conditions elsewhere continue to promote fieldwork, including cotton and soybean harvesting.

**Outlook for U.S.**— An early season snow storm in the northeast has left early morning snow depths at 15 inches in Manchester, New Hampshire, and 14 inches in Albany, New York. Late week rain will effect the Southeast. A Pacific storm will deliver snow and rain to the West Coast States. Early next week, a storm will result in a variety of weather hazards, including snow and rain across the northern Plains. The NWS 6-10 weather outlook for December 10-14 calls for near or below temperatures from the Rockies to the Appalachians. Warmer than normal conditions along the Atlantic Seaboard and across the Far West. Below normal precipitation in California and parts of the Southwest. Wetter than normal conditions across the remainder of the U.S.

## International Crop Weather Highlights—December 4, 2019

**Europe**—Rain maintained moisture supplies for winter crops in western Europe. Wet conditions in the south maintained moisture supplies for winter grains in Spain and Italy favored long term drought in the southern Balkans.

**Middle East**— Rain in central Turkey eased drought. More rain needed for wheat and barley. Drought is developing in eastern Syria into northwestern Iran. Favorable weather across western Syria and central and eastern Iran.

**FSU**— Poorly established winter wheat in Ukraine and western Russia entered into dormancy.

**Asia**— Showers in southern India boosted moisture supplies for rabi crops. Showers in eastern China boosted moisture supplies for rapeseed. Cold conditions eased wheat into dormancy in east Asia. Wet weather favored winter rice and corn in the eastern Philippines. Typhoon Kammuri threatened central growing areas. Increased rain in Java, Indonesia still well below normal for wet season rice sowing.

**Australia**—Rain in northern New South Wales triggered additional sorghum sowing but did little for additional cotton planting. Dry conditions in the south and west benefited wheat, barley, and canola drydown and harvesting.

**South America**— Rain benefited soybeans, corn, and other summer crops in Brazil.

**South Africa**— Favorable rain benefited corn planting.

**Northwestern Africa**— Sunny skies favorable for winter grain establishment from northern Morocco into Tunisia. Lingering drought in southwestern Morocco.